

Summary of Consolidated Financial Results
for the Third Quarter of the Fiscal Year Ending May 31, 2022
(From June 1, 2021 to February 28, 2022)
[Japanese GAAP]

March 30, 2022

Company Name: ERI Holdings Co., Ltd. Listing Exchanges: First section of the Tokyo Stock Exchange
 Securities Code: 6083 URL: <https://www.h-eri.co.jp/>
 Representative: Toshihiko Umamo, President, CEO and COO
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 Planned Date for Submission of Quarterly Securities Report: March 30, 2022
 Planned Starting Date for Dividend Payments: –
 Supplementary documents for financial results: Yes
 Financial Results briefing: None

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending May 31, 2022 (June 1, 2021 – February 28, 2022)

(1) Consolidated Financial Results (Cumulative)

(% indicates year-on-year change)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	million yen	%	million yen	%	million yen	%	million yen	%
FY 5/2022 Q3	12,001	15.8	1,511	–	1,569	–	973	–
FY 5/2021 Q3	10,363	(6.7)	22	(93.1)	86	(77.4)	29	(85.9)

(Note) Comprehensive Income FY 5/2022 Q3: 981 million yen (–%) FY 5/2021 Q3: 33 million yen (–85.1%)

	Profit per Share	Diluted Profit per Share
	yen	yen
FY 5/2022 Q3	124.33	–
FY 5/2021 Q3	3.83	–

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	million yen	million yen	%
FY 5/2022 Q3	7,821	3,769	47.7
FY 5/2021	6,477	3,024	46.1

(Reference) Shareholders' Equity FY 5/2022 Q3: 3,728 million yen FY 5/2021: 2,988 million yen

2. Dividends

	Dividends per Share				
	End of Q1	End of Q2	End of Q3	Fiscal Year End	Annual
	yen	yen	yen	yen	yen
FY 5/2021	–	0.00	–	15.00	15.00
FY 5/2022	–	15.00	–		
FY 5/2022 (Forecast)				25.00	40.00

(Note) Revisions to dividend forecasts published most recently: None

(Note) The 25.00 yen of year-end dividend for FY 5/2022 (forecast) includes 10.00 yen special dividend.

3. Consolidated Financial Forecasts for the Fiscal Year Ending May 31, 2022 (June 1, 2021– May 31, 2022)

(% indicates year-on-year change)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Profit per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY 5/2022	15,810	9.8	1,600	297.2	1,660	250.0	1,031	289.7	131.73

(Note) Revisions to performance forecasts published most recently: None

* Notes

(1) Changes in significant subsidiaries during the term under review (changes in subsidiaries via share exchange causing a change in the scope of consolidation): None

(2) Adoption of accounting treatment unique to the preparation of quarterly consolidated financial statements: None

(3) Accounting policies, changes in accounting estimates and errors

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| (i) Changes in accounting policies associated with the revision of accounting standards, etc.: | Yes |
| (ii) Changes in accounting policies other than (i): | None |
| (iii) Changes in accounting estimates: | None |
| (iv) Restatements: | None |

(4) Number of shares issued (common stock)

(i) Shares Outstanding (incl. treasury stock):	FY 5/2022 Q3	7,832,400 shares
	FY 5/2021	7,832,400 shares
(ii) Treasury Stock:	FY 5/2022 Q3	122shares
	FY 5/2021	85 shares
(iii) Average Number of Shares Outstanding	FY 5/2022 Q3	7,832,297 shares
	FY 5/2021 Q3	7,787,607 shares

* This report is not subject to audit by certified public accountant or audit firm.

* Cautionary statement with respect to forward-looking statements, and other information.

The performance projections in this report are based on information currently available and significantly include uncertainty. Actual result may differ materially from these projections due to various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2021)	The third quarter of the reporting fiscal year (As of February 28, 2022)
Assets		
Current assets		
Cash and deposits	2,650,798	4,269,064
Accounts receivable-trade	902,549	-
Accounts receivable-trade and contract assets	-	1,067,618
Work in process	420,120	233,108
Other	287,865	306,995
Total current assets	4,261,334	5,876,787
Non-current assets		
Property, plant and equipment	531,363	486,556
Intangible assets		
Goodwill	432,680	374,564
Other	322,857	298,007
Total intangible assets	755,537	672,571
Investments and other assets		
Investment securities	1,028	961
Guarantee deposits	469,228	462,232
Deferred tax assets	403,842	302,233
Other	55,483	20,654
Total investments and other assets	929,583	786,082
Total non-current assets	2,216,484	1,945,210
Total assets	6,477,818	7,821,998

Summary of Financial Results for Third Quarter of the Fiscal Year Ending May 31, 2022
ERI Holdings Co., Ltd. (Securities Code 6083)

(Unit: thousand yen)

	Previous fiscal year (As of May 31, 2021)	The third quarter of the reporting fiscal year (As of February 28, 2022)
Liabilities		
Current liabilities		
Short-term borrowings	–	300,000
Current portion of long-term borrowings	137,100	137,100
Accounts payable - other	294,193	241,287
Accrued expenses	784,842	687,557
Income taxes payable	153,128	388,638
Advances received	769,391	-
Contract liabilities	-	827,759
Lease obligations	35,168	34,899
Other	187,401	262,995
Total current liabilities	2,361,225	2,880,236
Non-current liabilities		
Long-term borrowings	788,325	885,500
Retirement benefit liability	56,133	56,622
Long-term accounts payable - other	105,283	105,283
Lease obligations	68,689	52,146
Other	73,790	72,790
Total non-current liabilities	1,092,222	1,172,343
Total liabilities	3,453,447	4,052,579
Net assets		
Shareholders' equity		
Share capital	992,784	992,784
Capital surplus	42,236	42,236
Retained earnings	1,954,162	2,694,193
Treasury shares	(72)	(127)
Total shareholders' equity	2,989,110	3,729,086
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(428)	(470)
Total accumulated other comprehensive income	(428)	(470)
Non-controlling interests	35,688	40,802
Total net assets	3,024,370	3,769,418
Total liabilities and net assets	6,477,818	7,821,998

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income

(Unit: thousand yen)

	The third quarter of the previous fiscal year (From June 1, 2020 to February 28, 2021)	The third quarter of the reporting fiscal year (From June 1, 2021 to February 28, 2022)
Net sales	10,363,833	12,001,912
Cost of sales	7,665,974	7,832,037
Gross profit	2,697,859	4,169,875
Selling, general and administrative expenses	2,675,814	2,658,137
Operating profit	22,044	1,511,738
Non-operating income		
Interest income	22	70
Dividend income of insurance	6,956	4,694
Commission income	1,056	991
Rent revenue	5,039	5,039
Guarantee commission received	7,747	-
Surrender value of insurance policies	4,063	25,911
Insurance claim income	-	16,880
Subsidy income	92,778	7,789
Miscellaneous income	3,408	2,983
Total non-operating income	121,071	64,360
Non-operating expenses		
Interest expenses	6,477	6,500
Loss on guarantees	49,243	-
Miscellaneous losses	882	113
Total non-operating expenses	56,604	6,614
Ordinary profit	86,511	1,569,484
Extraordinary losses		
Loss on sale of non-current assets	640	-
Total extraordinary losses	640	-
Profit before income taxes	85,871	1,569,484
Income taxes - current	31,170	486,812
Income taxes - deferred	21,592	101,035
Total income taxes	52,763	587,847
Profit	33,108	981,636
Profit attributable to non-controlling interests	3,274	7,815
Profit attributable to owners of parent	29,833	973,820

Quarterly Consolidated Statement of Comprehensive Income

(Unit: thousand yen)

	The third quarter of the previous fiscal year (From June 1, 2020 to February 28, 2021)	The third quarter of the reporting fiscal year (From June 1, 2021 to February 28, 2022)
Profit	33,108	981,636
Other comprehensive income		
Valuation difference on available-for-sale securities	(94)	(43)
Total other comprehensive income	(94)	(43)
Comprehensive income	33,013	981,592
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	29,741	973,778
Comprehensive income attributable to non-controlling interests	3,272	7,814